REMARKS

The Office Action dated July 26, 2005, has been received and carefully reviewed. The preceding amendments and the following remarks form a full and complete response thereto. Claims 1, 3-4, 9-10, 14, 16-17, 22-23, 27, 29-30, 35-36, 40 and 42-43 are amended as to matters of form only. No new matter has been added. Claims 1-51 are pending in this application and are submitted for reconsideration.

Applicants' representative thanks Examiner Bashore for participating in a personal interview regarding the subject application and for agreeing to withdraw the rejection under 35 U.S.C. § 101 for allegedly failing to meet the "technological basis" requirement.

Objections were made to the specification for containing hyperlinks and for containing endnotes. Applicants traverse the objections.

The three listings of URL addresses in the specification were not intended to be "live" hyperlinks, and, in fact, the hyperlinks were removed from the electronic document. The URL addresses merely provide additional information useful for the identification of documents, which were incorporated by reference. Accordingly, Applicants request that the objection be withdrawn.

The endnotes through the patent application merely make reference to publications listed on pages 29-30 of the specification, each of the references being properly incorporated by reference on page 29. Accordingly, these endnotes merely give context to the reader of the patent document for the reasons why each reference was incorporated. Accordingly, Applicants request that the objection be withdrawn.

Claims 3-4, 9-10, 14, 16-17, 22-23, 29-30, 35-36, and 42-43 were rejected under 35 U.S.C. § 112 as indefinite. In particular, objections were made to the term "the formula" was as lacking antecedent basis and to the symbol "©". Claims 3-4, 9-10, 14, 16-17, 22-23, 29-30, 35-36, and 42-43 has been amended to correct these two issues. Accordingly, Applicants request that the rejection of claims 3-4, 9-10, 14, 16-17, 22-23, 29-30, 35-36, and 42-43 be withdrawn.

Claims 1, 3-4, 9-10, 14, 16-17, 22-23, 27, 29-30, 35-36, 40, and 42-43 were rejected under 35 U.S.C. § 112 as indefinite. In particular, objection was made to the term "investment institution." Applicants traverse the rejection and submit that one having ordinary skill in the art would readily understand the meets and bounds of the claims and therefore, the claims cannot be considered to be indefinite.

When interpreting a patent claim, the words of a claim are generally to be accorded their "ordinary and customary meaning," which is "the meaning that the term would have to a person of ordinary skill in the art in question at the time of invention." Phillips v. AWH Corp., 415 F.3d 1303, 1313 (Fed. Cir. 2005).(emphasis added). See also Innova/Pure Water, Inc. v. Safari Water Filtration Sys., Inc., 381 F.3d 1111, 1116 (Fed. Cir. 2004) ("A court construing a patent claim seeks to accord a claim the meaning it would have to a person of ordinary skill in the art at the time of the invention."); Home Diagnostics, Inc. v. LifeScan, Inc., 381 F.3d 1352, 1358 (Fed. Cir. 2004) ("customary meaning" refers to the "customary meaning in [the] art field"); Ferguson Beauregard/Logic Controls Div. of Dover Resources, Inc. v. Mega Sys., LLC, 350 F.3d 1327, 1338 (Fed. Cir. 2003) (claim terms "are examined through the viewing glass of a person skilled in the art"). "[P]atents are addressed to and intended to be

read by others of skill in the pertinent art. See Verve, LLC v. Crane Cams, Inc., 311 F.3d 1116, 1119 (Fed. Cir. 2002) (patent documents are meant to be "a concise statement for persons in the field"); In re Nelson, 47 C.C.P.A. 1031, 280 F.2d 172, 181, 1960 Dec. Comm'r Pat. 369 (CCPA 1960) ("[t]he descriptions in patents are not addressed to the public generally, to lawyers or to judges, but, as section 112 says, to those skilled in the art to which the invention pertains or with which it is most nearly connected.") Phillips, 415 F.3d at 1313.

Here, one skilled in the art would readily understand the meaning of the term "investment institution" in view of the specification of the present application. One skilled in the art would understand that an investment institution to be an entity, not an individual, that invests on its own account or its clients behalf, and that such investments would be considered to be "wholesale" type investments on a large scale (i.e., very high volume as compared to individual traders). One skilled in the art would readily understand that investment institutions may include, but are not limited to, investment banks, insurance companies, pension funds and other managed funds. Thus, the meets and bounds of the claims of the present application are readily determinable and therefore, the claims are not indefinite. Accordingly, Applicants request that the rejection of claims 1, 3-4, 9-10, 14, 16-17, 22-23, 27, 29-30, 35-36, 40, and 42-43 be withdrawn.

Claims 1, 6-8, 12-14, 19, 21, 25-27, 32-34, 38-41, 47-51 were rejected under 35 U.S.C. § 103 as being unpatentable over U.S. Published Application 2003/0225660 to Noser et al. ("Noser") in view of U.S. Patent No. 6,754,612 to Vanfladern et al. ("Vanfladern"). Applicants respectfully traverse the rejection and submit that claims 1,

6-8, 12-14, 19, 21, 25-27, 32-34, 38-41, and 47-51 recite subject matter not shown or suggested by the combination of cited prior art.

Claim 1, upon which claims 2-13 depend, recites a method for creating a database, which includes a step collecting security transaction data for a preselected period of time, for a plurality of investment institutions. The transaction data including identity of securities being traded, transaction order sizes, execution prices and execution times. The method also includes a step of grouping the transaction data into a plurality of orders. The method also includes a step of calculating a plurality of cost benchmarks for each of the plurality of orders. The method also includes a step of estimating transaction costs for each investment institution relative to the cost benchmarks. The method also includes storing the data.

Claim 14, upon which claims 15-26 depend, recites a method for ranking a first security transaction cost performance relative to transaction costs of institutional investors. The method includes a step of collecting security transaction data for a preselected period of time, for a plurality of investment institutions. The transaction data includes identity of securities being traded, transaction order sizes, execution prices, momentum and execution times. The method also includes steps of grouping the transaction data into a plurality of orders, calculating a plurality of cost benchmarks for each of the plurality of orders, estimating transaction costs for each investment institution relative to the cost benchmarks, and ranking a first investment institution against the plurality of investment institutions for at least one of a number of factors.

Claim 27, upon which claims 28-39 depend, recites a system for ranking security transaction cost performance relative to transaction costs of investment institutions

which includes processing means for collecting security transaction data for a preselected period of time, for a plurality of investment institutions. The transaction data includes identity of securities being traded, transaction order sizes, execution prices, momentum and execution times. Processing means is further for grouping the transaction data into a plurality of orders, calculating a plurality of cost benchmarks for each of the plurality of orders, estimating transaction costs for each investment institution relative to the cost benchmarks, and ranking a first investment institution against the plurality of investment institutions for at least one of a number of factors. The system further includes storing means for receiving data from the processing means, storing the data, and making data available to the processing means.

Claim 40, upon which claims 41-51 depend, recites a system for ranking security transaction cost performance relative to transaction costs of investment institutions. The system includes a processing unit coupled with a network and configured to collect security transaction data for a pre-selected period of time, for a plurality of investment institutions, to group the transaction data into a plurality of orders, to calculate a plurality of cost benchmarks for each of the plurality of orders, to estimate transaction costs for each order relative to the cost benchmarks, and to store the data in a database. The transaction data includes identity of securities being traded, transaction order sizes, execution prices, momentum and execution times. The system also includes a database unit coupled with the processing unit and configured to communicate with the processing unit, store data and making data available to the processing unit.

Noser discloses a number of analyses, including a process for allocation of transaction costs. At paragraph 258 of Noser, it states that transaction costs are

computed and stored at the finest level detailed that the method describes. At paragraph 260 it states that "it will specify whether to show detail or summary for each of the identifying elements of the allocated transactions. That is, one query may request factors per account per manager, and another request factors for each manager, with the manager's accounts summarized into a single measurement. It will also specify the desire to sequence of the results." Applicants submit that Noser merely focuses on calculating the actually costs of each agent involved with transactions and fails to disclose the estimation of transaction costs for each investment institution or the ranking of institutions against one another, as defined by the claims of the present application. In contrast to Noser, the present invention is directed to a completely different audience - - the institution - -, which requires analysis of a large volumen of wholesale-type transactions. According to the present invention, the novel use of benchmarks makes it possible to compare transaction performance (e.g., costs) of peer institutions. Noser is incapable of making such a comparison.

Vanfladern describes a computing system for inserting performance markers into programs to obtain and provide data regarding the computer run-time benchmarking of the programs, not financial benchmarking, and Vanfladern does not disclose benchmarks in the same sense as used in the present invention (e.g., see claim 6) or the estimation of transaction costs for an investment institution relative to it costs benchmark. Therefore, Vanfladern can not cure the above-described deficiencies of Noser, and the combination of Noser and Vanfladern fails to disclose or suggest each and every feature of 1, 6-8, 12-14, 19, 21, 25-27, 32-34, 38-41, and 47-51.

Accordingly, Applicants request that the rejection be withdrawn and claims 1, 6-8, 12-14, 19, 21, 25-27, 32-34, 38-41, and 47-51 be allowed.

Claims 2-5, 9-11, 15-18, 22-24, 28-31, 35-37, 42-46 were rejected under 35 U.S.C. 103(a) as being unpatentable over Noser et al. in view of Vanfladern et al., and further in view of the article "NYSE Execution Costs," by Werner ("Werner"). Applicants respectfully traverse the rejection and submit that claims 2-5, 9-11, 15-18, 22-24, 28-31, 35-37, and 42-46 recite subject matter not shown or suggested by the combination of cited prior art.

As described above, the combination of Noser and Vanfladern fails to disclose or suggest each and every feature of 1, 14, 27 and 40, upon which claims 2-5, 9-11, 15-18, 22-24, 28-31, 35-37, and 42-46 depend. Applicants submit that Werner fails to cure the deficiencies of the combination of Noser and Vanfladern. Particularly, Werner does not disclose or suggest the estimation of transaction costs for each investment institution or the ranking of institutions against one another, as recited in the claims of the present application.

Furthermore, although Werner discloses a manner of regression, Werner fails to disclose or suggest the feature of regressing transaction costs onto a plurality of percentages (see claims 2, 15, 28 and 41 of the present application), as the Office Action asserted. Therefore, the combination of cited prior art does not disclose or suggest each and every element of the claims 2-5, 9-11, 15-18, 22-24, 28-31, 35-37, and 42-46.

Accordingly, Applicants request that the rejection of claims 2-5, 9-11, 15-18, 22-24, 28-31, 35-37, and 42-46 be withdrawn and that claims 2-5, 9-11, 15-18, 22-24, 28-31, 35-37, and 42-46 be allowed.

If for any reason the Examiner determines that the application is not now in condition for allowance, it is respectfully requested that the Examiner contact, by telephone, the Applicant's undersigned attorney at the indicated telephone number to arrange for an interview to expedite the disposition of this application.

In the event that this paper is not timely filed, the Applicant respectfully petitions for an appropriate extension of time. Any fees for such an extension together with any additional fees may be charged to Counsel's Deposit Account No. 02-2135.

Respectfully submitted,

By _____

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